

Bad news on the wire

FROM A CORRESPONDENT IN WASHINGTON, DC

The Federal Communications Commission finally decided, at the end of April, that beginning in July newspapers and wire services would no longer be entitled to cheaper transmission charges than other users of commercial telegraph facilities. The FCC had been studying the subject for six years and only one commissioner, Mr Nicholas Johnson, dissented. In vain the press argued that loss of its preferential position would interfere with the free flow of news. The FCC insisted that the two major wire services, the Associated Press and United Press International, had already taken steps—a move from many individual telegraph lines to a single "voice" circuit which can be subdivided—to offset the higher costs. As for the so-called "supplementary" news services, the commission argued that their owners, wealthy newspaper corporations, were quite able to foot the bill.

For the two major news services, the blow comes at a bad time. Besides suffering from inflation, like everyone else, they have been faced during the past decade with increasing competition. Most of the leading newspapers began to take one or more of the supplementary services during the 1960s and, as the new decade begins, publishers of these newspapers are questioning whether they need both major wire services as well.

The usual victim of such considerations has been United Press International, an amalgam of the old UP and International News Service. Several papers such as the *Courier-Journal* and the *Times*, both of Louisville, Kentucky, have dropped UPI in favour of a new mix of news sources. Moreover, UPI has been cutting back on staff across the country and some observers in the publishing industry fear that a cause-and-effect cycle has begun which will ultimately spell the end of an old and proud news operation. The privately operated UPI has been viable as a news service in recent years primarily because many editors consider its reports to be better written and its general operation more spirited than those of the AP which is owned by the newspaper industry. Once a decline in reporting sets in, it is feared more newspapers will stop subscribing to UPI.

Even the AP has been forced to change its habits by the upstart competition and the agency's daily and advance report columns and a diet of foreign stories, also spot news coverage from Washington of opinion and more in-depth coverage of such subjects as science, medicine and arts. To editors well as analytical reporting and columns to supplement the spot news coverage of the wire services, have been the main attractions of the newspaper news services. In practice, however, the big supplement to it. Now the *Chicago Daily News* and *Sun-Times* (owned by Marshall Field Enterprises) have started a joint service more with AP and UPI on the leading front pages of America's large newspapers. Meanwhile, on the debit side, the *New York Herald Tribune* went out of business and shut down its wire service, and the *Chicago Tribune-New York News* gave up

Moreover, British-based journalism is gaining a larger foothold. Reuters, since it dropped its mutual exchange agreements with AP, has expanded aggressively in the United States. *Guardian* and *Observer* reports are distributed by the *Los Angeles Times/Washington Post* News Service and *Times of London* (and some Agence France Presse reports, particularly from Asia) are sent out on the New York Times News Service. The *Toronto Globe & Mail* made an impact with its dispatches from Peking, which the newspaper syndicates themselves. A new factor in the growing competition has been the announcement of the *New York Times* that it has decided to establish a "feature syndicate," under the direction of the same man who directs the *Times* news service. The new feature will include articles commissioned by the *Times* for its Sunday magazine and its Sunday entertainment sections, book serialisations and new material not now offered by the New York Times News Service.

The *Chicago Daily News* was the first to offer a supplementary report, starting in 1898. Over the years it gained attention for its serious, comprehensive coverage of foreign news. Later, news services were formed by the *New York Herald Tribune*, the *Chicago Tribune-New York Daily News*, and the *New York Times* and were purchased mainly by metropolitan newspapers. During the 1960s, this pattern was altered radically.

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